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C O N F I D E N T I A L SECTION 01 OF 05 LAGOS 000385

SIPDIS

STATE FOR AF/W, INR/AA
STATE PASS NSC FOR BOBBY PITTMAN

E.O. 12958: DECL: 06/25/2016

TAGS: PGOV PREL PM EPEP ECON KDEM NI

SUBJECT: NIGERIA: AMBASSADOR AND INTERAGENCY TEAM VISIT
BAYELSA, DISCUSS MILITANCY AND DEVELOPMENT PROGRAMS WITH
GOVERNOR SILVA

LAGOS 00000385 001.2 OF 005

Classified By: AMBASSADOR ROBIN R. SANDERS FOR REASONS 11.4 (B, D)

¶1. (C) Summary: During a September 27 interagency team visit to Bayelsa State to discuss development and political issues, Governor Timipre Silva told Ambassador (POL-ECON Lagos notetaker) that he, the other Niger Delta Governors, as well as the leadership in Abuja are growing impatient with militants, and that he supports expanded military Joint Task Force (JTF) actions into Bayelsa to prevent militants from Rivers State from taking refuge there. Silva also plans a stakeholders meeting with community members and civil society to ensure that criminals will not be tolerated or allowed to take refuge under the guise of militant freedom fighters. To further combat militancy, the Governor has arranged training for youths in internet and computer technology (ICT) in India, has established state-sponsored graduate fellowships for Bayelsa students who graduate from university with top honors, is working with UNDP and reputable industry groups to set up vocational training in skills needed by the oil industry, and to combat militancy among secondary school youths, only 13 percent of whom graduate with a minimally adequate education, is seeking assistance to help improve secondary education. To increase employment opportunities, the Governor is seeking entrepreneurship training to assure that micro-finance loans are appropriately used and noted assistance he is receiving from China on fish farming and from Vietnam on rice farming projects. The Governor welcomes U.S. comments on Bayelsa's pending fiscal responsibility legislation, which is on its way to second reading in the State Assembly, and noted that he has draft anti-corruption legislation which he is preparing to send forward to the legislature. In response to these issues, the U.S. interagency team, through USAID, offered to sponsor a workshop to review both pieces of legislation and to provide suggestions on best practices, including on public procurement. Meanwhile the Office of Security Cooperation (OSC) will review ways to assist with refurbishment of vocational centers and schools. See septel on Ambassador-Silva's further discussion on militant leader Joshua MacGyver's assistance to the JTF, and plans President Yar'Adua may have on equity sharing on Delta Region oil resources. End Summary

¶2. (U) As part of a pilot effort to engage pro-active States,

Ambassador, accompanied by an inter-agency team (POL-ECON Lagos notetaker), met September 27, 2008, with Bayelsa Governor Timipre Silva on a range of possible program options through USAID, Foreign Agricultural Service (FAS), OSC's humanitarian assistance program, and public diplomacy programs that could serve to help address issues on development, particularly with youth. The Bayelsa Governor will follow up and respond to the USG presentation as to which of the existing USG programs presented could best address current development needs in his state. Governor Silva's comments to the U.S. team reflected his single-minded focus on how best to remediate the problems plaguing his state: militancy and its contributing factors; unemployment; poor educational opportunities; lack of infrastructure, inadequate health care; and perhaps most important; misappropriation of public funds. Post believes partnerships with this forward-looking State Governor not only could advance our goals of working with proactive Governors, but also make inroads on the USG objective of trying, where possible, to assist more with development in the Delta Region.

Bayelsa Priority Program Areas

¶3. (U) Governor Silva introduced eight program areas on which his administration is currently concentrating, and for which he would welcome support from the U.S. Government (USG):

Peace and Security

-- (C) The Governor told Ambassador that his well-publicized program of engagement, empowerment and enforcement, is working; the December 2007 peace accord struck with the militants had held until recently. The longer term solution to militancy, demobilization, entails seizure of arms and granting of amnesty which are federal prerogatives; the state is working closely with the federal government and the Joint Task Force (JTF) on these issues. (Note: Ambassador and OSC Chief Cook had an opportunity to be introduced to JTF Bayelsa Commander Musa, and the District Head of the State Security Service (SSS) for the State.) Silva said that Joshua MacGyver, a militant located in Bayelsa for whom the Governor is providing safe-haven, has been assisting the JTF in locating other militant camps. (See septel on Silva's separate conversation with the Ambassador on MacGyver and related issues). Nonetheless, he, other conflict state governors, and the leadership in Abuja were growing impatience with the militants. He said he had participated, in Abuja with President Yar'Adua and others, in discussions spurred by the JTF onslaught against militants in Rivers State as to whether to expand the offensive to Bayelsa to assure that militants cannot take refuge there. Law enforcement is a federal responsibility; Bayelsa will have to cooperate in this regard, the Governor told the Ambassador. The Governor will convene a statewide stakeholders meeting in the next month to discuss how best to demilitarize and reduce violence in the state, but also to make clear that the state will begin treating criminal behavior as such, and to warn militants that they will no longer be able to cloak their criminal behavior by calling themselves freedom fighters. An NGO affiliated with the Church of England will train 100 Bayelsa religious leaders in peacekeeping skills over the next couple of months.

Fiscal Responsibility

-- (U) The Governor has presented fiscal responsibility legislation to the State Assembly, where it is about to begin its second reading; the USG team offered technical assistance, through USAID, to the Bayelsa Speaker on assisting with reviewing the bill for best practices and appropriate regulatory frameworks. The State has draft anti-corruption legislation, which includes establishing a Bayelsa Anti-Corruption Commission, which the USG team also offered to review through technical assistance workshop.

(Note: The Federal Government has long encouraged states to pass fiscal responsibility legislation. Some states have produced drafts, but Bayelsa seems to be one of the few that actually has its state legislature reviewing it with a view to passing it. The Speaker told us that his goal was to have the legislation pass prior to Christmas. End Note) The Governor added that if the Federal Government were capable of handling all anti-corruption matters, it would not have asked the states to adopt state-level fiscal responsibility norms.

Agriculture

-- (U) The State has little arable land, but is rich in creeks and waterways. One nearby creek, which will no longer accommodate vessels because of massive hyacinth growth, flows sufficiently swiftly that it can be converted into a pilot fish farm. The state will invest in five million fingerlings and if only 10 percent of them grow to salable size estimates that the business has the potential to generate 50 billion naira in income. If the business is successful, the Governor plans to replicate it in other parts of the state. Fish farming should be particularly well-suited to the Ijaw people, traditional fishermen, who make up the majority of the state's residents. The project will begin at the end of 2008. The State is also exploring rice farming. Negotiations are ongoing with a commercial farmer from Vietnam on a 600 hectare pilot project. The farmer would manage the project, providing equipment, seedlings and training, but the land would be worked in small, 5 hectare plots by local people who would earn a salary from the commercial farmer. At harvest, the commercial farmer would harvest and sell the product. This project is scheduled to begin in 2009.

Youth Development

-- (U) Youth development is a high priority. Already, 120 youths are participating in ICT training in India; upon return to Bayelsa, they will form the core of what the Governor envisions will be a cadre of highly trained ICT professionals on whom the State and private sector will begin to build knowledge-based industries. The Governor hopes to attract call centers to the state. To give students the incentive to work hard in school, the Governor has instituted an automatic state-sponsored scholarship program for students who graduate with a first-class degree. Seven students have already qualified for the program and are currently enrolled in universities in the United States and the EU. To train students in skills needed by the oil and other industries, the State has begun construction of vocational centers where students will learn diving, underwater welding and other skills. To assure that the centers match training with jobs needed by the oil industry, the State is engaged in consultations with the Oil and Petroleum Trade Section (OPTS) of the Lagos Chamber of Commerce. UNDP is assisting the state to develop the curriculum for the centers, but Bayelsa would welcome partners on other aspects of the program. The Governor's goal is to make the state a Center of Excellence for the professional development of young people.

Education

-- (U) Bayelsa students rank at the bottom of all Nigerian and West African test score rating systems, according to the Governor. The state's 13 per cent success rate means that 87 percent of all Bayelsa State students fail to get a minimally adequate education. There is not one fully functioning secondary school in Bayelsa State, the Governor underscored; none of the Commissioners or Technical Team at the table has a child in a Bayelsa State secondary school, he pointed out. If students are unable to pass secondary school exams, they cannot get into university, nor can they qualify for jobs. At the same time, they have a little too much education to want to return to their villages. This is a major driver of militancy for 15-17 year olds, who are most susceptible to

the lure of the camps. To address this problem, the Governor said, he will refocus the budget so as to improve education, with a special emphasis on secondary education. The school system needs everything from additional and refurbished schools to school furniture and science equipment, the Governor said. Even students who major in science never see scientific instruments until after they leave school. The governor plans to build three model secondary schools, each with science laboratories and a library. Each school will accommodate 2,500 students, and will allow the state to provide an adequate education to fully half the 15,000 students in the state who are of secondary school age. The State will renovate the remaining schools, and provide science equipment.

Micro-Credit

-- (U) Months ago, the Governor's Executive Committee recognized the importance of micro-credit to spurring employment. However, the Governor told Ambassador, he recognizes that loans alone are insufficient. People must learn entrepreneurial skills in order to properly use the loans as a way to start or grow their small businesses. The Governor would welcome help in accessing entrepreneurial training programs to meet this need. The USG team noted that under its existing programs with Nigeria, it had implementing partners that could assist with some of the educational issues ranging from the USAID-funded multi-programmatic Conflict Mitigation and Management (CALM) program to projects under public diplomacy.

Health Care

-- (U) Nigeria ranks 191 out of 197 countries in provision of adequate health care, the Governor said, and Bayelsa State is a major reason for the low ranking. People who live in small villages must travel over water for hours to get medical care. In consultation with the national health system, the Governor has decided to build a 500 bed hospital to provide quality health care. The governor believes the hospital will act as a magnet, increasing the urbanization of the state, creating jobs and spurring the growth of hotels. To provide better health care in rural areas, the State is also building health centers to combat the high infant and maternal mortality rates.

Transportation/Infrastructure

-- (U) Bayelsa, which will be 12 years old as a state on October 1, 2008, is one of Nigeria's newest states. Even a quick drive through the city, the Governor said, shows that only some minimal elements of a state capital have been established in what is otherwise a rural setting. (Note: The USG team's observations confirmed the Governor's remarks; the state government compound, a few outlying ministry buildings and several religious buildings dotted a landscape laced with creeks and waterways. Ambassador and U.S. Mission members observed that a new hotel and a series of apartment buildings for civil servants were under construction. End Note) Despite the high cost of building in the lowland areas, the State Government is committed to providing the infrastructure needed to develop the state. Any help that might be provided would relieve pressure on the State's budget.

USG Pilot Program

¶5. (U) Ambassador introduced members of her team for their presentations of programs that may prove suitable for a pilot program that would address existing development issues raised by the Governor. The ideas for this pilot program, the Ambassador said, were in line with existing USG objectives for Nigeria, with the goal of trying to expand some of these projects into Bayelsa.

-- (U) Peace and Security: OSC Chief Cook highlighted humanitarian assistance programs that could provide civil-military training workshops to help build back relationships between law enforcement and the community, and to improve civilian oversight of the military. He also highlighted opportunities for school and vocational center refurbishment, and the construction of 3-5 bore holes to assist with clean water issues. USAID Mission Director described the Conflict Mitigation and Management (CALM) program currently operating in Delta and Rivers States, which could be expanded to Bayelsa as it provides conflict early warning and response capabilities as well as provides alternatives to violence through structured sports programs for youths.

-- (U) Fiscal Responsibility: Ambassador noted that USAID could be available to provide technical assistance to the State Assembly as it reviews fiscal responsibility and anti-corruption legislation and to help create regulatory policies to implement the legislation. USAID Director added that this offer would be focused on capacity building and best practices, training staff of the fiscal responsibility office, and possibly setting up training in government procurement and fiscal responsibility at Bayelsa's state university to assure that there are well-trained personnel available to fill these governmental functions in the future.

-- (U) Agriculture: Given the RSO limit, for security reasons, on the number of U.S. Mission personnel who can travel to the region at any one time, Ambassador herself described the USDA's Cochran and Norman Borlaug Agricultural Fellowships, study programs which could be custom-designed to meet the agricultural focus of one or two individuals from Bayelsa State. USAID Director described the Cassava Enterprise Development Program (CEPD) currently operating in Bayelsa State, and noted that it could be expanded to further improve cassava varieties, increase farmers' access to processors, and link farmers with regional markets. The Governor asked the Commissioner of Agriculture to provide him with reports about the results of the current CEPD. The Commissioner of Agriculture noted that cassava was not necessarily the State's best commodity for competitive advantage, and wondered whether other commodities like rice and fisheries could be considered. The USG team promised to discuss the issues of CEPD further with the Governor's team.

-- (U) Youth Development and Education: The USG team, through OSC, noted that it could possibly assist with school and vocational center refurbishment under its humanitarian assistance programs. In addition, the Excess Defense Articles (EDA) program has the potential to provide, on an as-available basis, books and school equipment. Ambassador was careful to underscore that EDA requires that the State pay for any in-country transportation to desired locations. PAS Officer described the USG Student Leader Exchange Program which provides three weeks of study in the United States for university students. Through the NGO Students In Free Enterprise (SIFE), a PAS partner in the past, entrepreneurship training could be provided to unemployed youths in Bayelsa. Pol-Econ provided information on another NGO, Students for the Advancement of Global Enterprise (SAGE), a program which helps secondary students learn entrepreneurial skills through teamwork on a small business. PAS described the International Visitor Leadership (IVLP) Program, Educational Advising Centers in Abuja and Lagos, and the Hubert H. Humphrey Fellowship as opportunities through which Bayelsa could promote youth development. PAS also highlighted possible USG assistance through the Information Resource Center to help Bayelsa set up its libraries with the best on-line services and software. Ambassador also noted that Iowa State University places Nigerian secondary school students in a junior year in the United States through its IRIS program and that, if of interest to the Governor, the U.S. Mission could assist with making that linkage.

¶6. (SBU) Comment: Governor Silva's businesslike presentation reflected his single-minded focus on how best to remediate the problems of the Niger Delta: militancy and its contributing factors, unemployment, poor educational opportunities, lack of infrastructure, inadequate health care, and perhaps most important, misappropriation of public funds. While the U.S. Government cannot solve all of these problems for the State of Bayelsa or for Nigeria, Post believes this pilot program of selected projects with this forward-looking State offers the prospect of making a substantial contribution to the State's efforts to resolve these challenges and offers the opportunity to meet USG goals and objectives for economic and youth development in the Niger Delta Region.

U.S. Participants:

Ambassador Robin R. Sanders
Office of Security Cooperation LTC Tom Cook
USAID Mission Director Sharon Cromer
Lagos Pol-Econ Section Chief Helen C. Hudson
Lagos Cultural Affairs Officer Mary Lou Johnson-Pizarro

Bayelsa State Participants:

Governor Timipre Silva
Deputy Governor
Special Assistant to the Governor
Speaker of Bayelsa State Assembly
Attorney General
Commissioner of Agriculture
Commissioner of Education
Chair Technical Committee (Strategic Planning)
Chair, Peace Committee (civil society umbrella group)
BLAIR